

DEC 6 2002

STATE OF SOUTH CAROLINA
DEPARTMENT OF INSURANCE
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Before the State of South Carolina
Department of Insurance

In the matter of:
James A. Legg
45 Calhoun Street
Bluffton, South Carolina 29910

**Consent Order
Imposing Administrative Penalty**

SCDOI File Number 2002-111539

This matter comes before me pursuant to an agreement entered into between the State of South Carolina Department of Insurance and James A. Legg, a resident insurance agent licensed to transact insurance business within the State of South Carolina.

James Legg hereby admits, and I find as fact, that he failed to timely file his South Carolina Income Tax Return and because of said action, was convicted on October 17, 2001, by a Beaufort County General Sessions Court of: "Willful Failure to File a South Carolina Income Tax Return/ Withholding Taxes w/ Intent to Evade (Sec.12-54-40); Docket Number: 2001GS0701675. Mr. Legg maintains these actions were completely unintentional.

The alleged conduct is in direct violation of South Carolina Code Ann. Sections: 38-43-130; 38-43-50 (Supp.2002), and 25A South Carolina Code Ann. Reg.69-23 § (6)(1989).

Section 38-43-130 and 38-5-120(a)(2)(Supp.2002) allow the Director of Insurance to impose disciplinary action against an insurance agent that does not comply with South Carolina's Insurance Laws.

Rather than contest this matter, James A. Legg and the Department have agreed to submit the entire matter to me, along with their specific recommendation, for my summary decision. That consensual recommendation was that Mr. Legg would waive its right to a public hearing and would submit an administrative penalty to the Department in the total amount of \$500.00.

After a thorough review of the matter, carefully considering the recommendation of the parties, and pursuant to my findings of fact, I hereby impose an administrative penalty in the amount of \$500.00 against James A. Legg, pursuant to the discretion provided to me by the State of South Carolina General Assembly in S.C. Code Ann. §§ 38-5-130 and 38-2-10 (Supp. 2002). This administrative penalty must be paid within ten days of my date and my signature upon this consent order. If James A. Legg has not paid that total amount on, or before, that date, then his insurance agent's license to transact business within the State of South Carolina will be summarily revoked without any further administrative disciplinary proceedings.

The parties have reached this administrative penalty as a result of negotiation and compromise, and in consideration of the internal corrective internal measures James Legg has

James A. Legg

implemented to prevent this problem from recurring and of Mr. Legg's assurance that he will timely file each of his future tax returns with the State of South Carolina. This penalty includes all expenses related to the investigation of this matter as provided in § 38-13-70 of the South Carolina Code. The parties expressly agree and understand that Mr. Legg's payment of the agreed-upon penalty constitutes full accord and satisfaction of this matter.

By his signature of this consent order, James Legg acknowledges that he understands that this administrative disciplinary order is a public record subject to the disclosure requirements of the State of South Carolina's *Freedom of Information Act*, S.C. Code Ann. §§ 30-4-10, *et seq.* (1991 and Supp. 2002).

Nothing contained within this administrative disciplinary order should be construed to limit, or to deprive any person of, any private right of action under the law. Nothing contained within this administrative disciplinary order should be construed to limit, in any manner, the criminal jurisdiction of any law enforcement or judicial officer. Nothing contained within this administrative disciplinary order should be construed to limit the statutory duty, pursuant to S.C. Code Ann. § 38-3-110 (Supp. 2000), of the Director of Insurance, exercised either directly or through the Department, to "report to the Attorney General or other appropriate law enforcement officials criminal violations of the laws relative to the business of insurance or the provisions of this title which he considers necessary to report."

It is, therefore, ordered that James A. Legg shall, within ten days of my date upon this consent order, pay through the Department an administrative penalty in the total amount of \$500.00.

It is further ordered that a copy of this consent order shall be immediately transmitted to the National Association of Insurance Commissioners for distribution to its member states.

This consent order becomes effective on the date of my signature below.



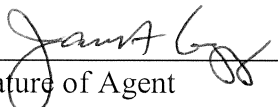
Ernst N. Csiszar
Director

December 18,
November 25, 2002

Columbia, South Carolina

James A. Legg

I CONSENT:



Signature of Agent

James A. Legg
45 Calhoun Street
Bluffton, South Carolina 29910.

Dated this 4th day of December, 2002